

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE****D. Remarks**

Rejection of Claims 1-3, 5-10, 12-13 and 15-19 Under 35 U.S.C. §103(a), based on *Wittsche* (U.S. Patent No. 6,556,975) in view of *Cronin* (U.S. Patent Publication No. US 2001/0032145 A1) further in view of *Burg et al.* (U.S. Patent No. 6,456,699) and further in view of *Reyda et al.* (U.S. Patent Publication 2002/0002501).

The rejection of claims 1-3 and 5-9 will first be addressed.

The invention of claim 1 is directed to a franchise system for organizing and establishing a headquarter for business transactions over a network. The franchise system includes various components including at least one headquarter network server, a plurality of franchise store servers, and a plurality of member servers.

The at least one headquarter network server has a number of elements including merchandise information memory data, a home page creation system, a home page sending service, an order receiving system, a received data transfer system, and a franchise store ID system.

As is well established, to establish a prima facie case of obviousness, a rejection must meet three basic criteria. First, there must be some suggestion or motivation to modify a reference or combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference(s) must teach or suggest all claim limitations.

Applicant traverses the present rejection based on a number of grounds.

**A) The Combination of References Does Not Show All Limitations of Claim 1**

Applicant does not believe that the cited combination of references shows or suggests "at least one headquarter network server" that includes "merchandise information memory data that includes... goods not available at one of the franchise stores but available at the headquarter".

While the particular limitations of claim 1 were not addressed by the rejection, Applicant believes that the rejection reasoning for the above limitation is set forth below:

[T]he phrase... "such goods including goods not available at a particular franchise store and not available at the particular franchise store but available at

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a headquarter" are considered to be non-functional descriptive material, ***since the information is not processed in any way – just stored and transmitted.***  
(Office Action, dated 06/20/2006, Page 4, last partial paragraph).

5 Applicant believes that the above rationale is not sufficient to establish a prima facie case of obviousness. First, the characterization of the claim limitation is believed to be in error. Second, the limitation clearly recites function descriptive material.

Applicant's claim 1 recites that "at least one headquarter network server includes, merchandise information memory data that includes information for... goods not available at one  
10 of the franchise stores, but available at the headquarter". This merchandise information memory data is not just stored and transmitted, as argued. Rather, this information is utilized to create home pages, as clearly recited in claim 1:

a home page creation system that access the merchandise information memory  
15 data ***to create a home page of each franchise store...*** (Applicant's claim 1, lines 14-16).

Accordingly, the above characterization of the phrase "merchandise information memory data" is objected to by Applicant, as this data, is clearly not simply stored and transmitted.

20 Second, the above claim limitation recites functional descriptive material, and hence is statutory. Functional descriptive material is described in the MPEP:

In this context, "functional descriptive material" consists of data structures and computer programs which impart functionality when employed as a computer  
25 component. (M.P.E.P. §2106).

As noted above the "merchandise information memory data" (including the information for goods not available at one of the franchise stores) clearly imparts functionality: the creation of web pages for each franchise store. Accordingly, Applicant believes that this limitation is  
30 patentable subject matter.

Applicants add, that when considered, the above limitation adds to the patentability of

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claim 1. The Specification notes the advantages of such an arrangement:

Moreover, each Franchise Store can supply many kinds of goods information, not only for its own stocked items, but also for other goods based on the huge scale of data at a Headquarters. (Applicant's Amended Specification, paragraph [0029]).

Further, Applicant's "merchandise information memory data" limitation is not believed to be obvious in light of the references, either. *Wittsche* teaches an on-line mall containing different retailers. There is nothing the reference to show or suggest that the system stores information not available at a store but available at some other location. In fact, *Wittsche* teaches the opposite:

The on-line mall store is viewed as a separate store of the overall merchant's store that may be available on a different website than the on-line mall. Thus, the *on-line store includes a subset of the merchandise available from the merchant.* (*Wittsche*, Col. 8, Lines 30-34).

Clearly, the above would appear to expressly teach away from Applicant's claim 1, by presenting a restricted inventory (i.e., subset), as opposed to claim 1 which presents a larger set of goods than that available at a single franchise store.

Because the rejection reasoning has not shown the above limitations, and such limitations are statutory, all limitations have not been shown or suggested by the combination of references, and this ground for rejection is traversed.

**B) No Motivation for the Proposed Modification Combination of References.**

**1) No suggestions/motivation for modifying the combination *Wittsche/Cronin* in view of *Burg et al*.**

Applicant's claim 1 recites a home page creation system that creates a home page for each franchise store, the home page creation system

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“accesses the merchandise information memory data for merchandise information to create a home page of each franchise store”, and

“accesses a home page data memory system to collect additional home page data for the home page of each franchise store”.

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The rejection notes that *Wittsche* in view of *Cronin* does not show Applicant’s “home page creation system”<sup>1</sup>. To show such a limitation, the rejection proposes modifying *Wittsche* in view of *Cronin* further in view of *Burg et al.*:

10       Burg ... teaches an ecommerce system wherein the system creates a home page (col. 9, Lines 15-16). It would have been obvious... to include a home page creation system... to create a home page for each franchise/community store, as disclosed in Burg (Office Action, dated 06/20/2006, Page 8, Lines 4-9).

15       The stated motivation for this reasoning is set forth below:

20       [It] would advantageously allow customers/visitors to access basic information about all retail stores, their locations, products/services provided without physically visiting those stores, thereby increasing customer service. (Office Action, dated 06/20/2006, Page 8, Lines 9-12, emphasis added).

Applicant believes that the above rationale is not sufficient for a *prima facie* case of obviousness for a number of reasons.

25       As is well settled, obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found in either the references themselves or in the knowledge generally available to one of ordinary skill in the art.<sup>2</sup>

The stated rationale for modifying the combination of *Wittsche/Cronin* in view of *Burg et al.* does not originate from the references themselves. If official notice is being asserted with

<sup>1</sup> See the Office Action, dated 06/20/2006, Page 8, Lines 1-3.

<sup>2</sup> *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988); *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

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respect to this rationale, Applicant seasonably traverses such notice and requests a reference in support.

In addition or alternatively, Applicant believes that the references themselves teach away from such a proposed modification.

5 All of the cited references teach the creation of single home pages. *Wittsche* teaches an on-line mall that presents one page for all stores in the mall. The reference never shows or suggests a server that provides a homepage for each individual store in the mall. All mentions of a "home page" set forth within *Wittsche* describe one homepage: that of the on-line mall, not any particular store within a community of the on-line mall:

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The search engine, advertisements, browsing options, and gift registry options are show in the home page or initial page of the on-line mall website. (*Wittsche*, Col. 10, Lines 37-49, emphasis added).

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If the customer selects step 810 the advertisement in FIG. 12A being displayed on the home page website of the on-line mall, then the specific merchandise displayed in the advertisement is displayed in step 836 in FIG. 12B. (*Wittsche*, Col. 10, Lines 37-49, emphasis added).

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If upon entry into the on-line mall home page the customer selects to enter the gift registry in step 814 in FIG. 12A, the gift registry page is displayed in step 837 in FIG. 12B. (*Wittsche*, Col. 11, Lines 10-11, emphasis added).

Thus, the discussion of home pages within the reference *Wittsche* are directed to a single home page for the entire on-line mall, and never to home pages for each store of the on-line mall.

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Accordingly, the teachings of *Wittsche* would seem in direct opposition to the proposed modification "to create a home page for each franchise/community store".

In fact, the proposed modification would appear to defeat the entire purposes of *Wittsche*. The rejection proposes presenting home pages for multiple different locations. In contrast,

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*Wittsche* is aimed at providing a single location:

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Therefore, any advancement in the ability to place multiple retailers in front of a customer in *one location* would be advantageous. (*Wittsche*, Col. 1, Lines 41-43, emphasis added).

- 5 The reference relied upon to show multiple home pages, *Burg et al.*, is likewise not suggestive of Applicant's claim 1 limitations. *Burg et al.* appears no different than *Wittsche* providing numerous examples of a single home page for an on-line store:

10 These two structured databases are accessible to a Web server 82 which is registered as *the homepage* URL... The server functions as *the homepage* URL and URL of all linked pages. (*Burg et al.*, Col. 7, Lines 58-63).

[T]he system creates *a home page* using the introductory IVR menu 25... *The home page* includes this non-response information... (*Burg et al.*, Col. 9, Lines 16-19).

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Accordingly, Applicant also believes that *Burg et al.* provides no motivation for the generation of multiple home pages.

For these reasons, Applicant does not believe that the motivation/suggestion for modifying *Wittsche/Cronin* in view of *Burg et al.* is sufficient for a prima facie case of  
20 obviousness.

2) No suggestions/motivation for modifying the combination *Wittsche/Cronin/Burg et al.* in view of *Reyda et al.*

25 Applicant's claim 1 recites "at least one headquarter network server" and "a plurality of franchise store servers". To show franchise stores, the rejection proposes modifying *Wittsche/Cronin/Burg et al.* further in view of *Reyda et al.*:

30 Reyda teaches an ecommerce store wherein the retailers are franchised and/or independently owned... It would have been obvious... to modify *Wittsche*, *Cronin*, and *Burg* to include that said communities include franchise stores, as

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disclosed by Reyda, because it would **advantageously allow to offer well know brand names of goods and/or services, which would attract more customers, thereby increasing revenue.** (Office Action, dated 06/20/2006, Page 8, last two paragraphs, emphasis added).

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Applicant believes that the above rationale is not sufficient for a prima facie case of obviousness.

First, the stated rationale does not appear to originate from the references themselves. If official notice is being asserted with respect to this rationale, Applicant seasonably traverses such notice and requests a reference in support.

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In addition or alternatively, Applicant believes that the reference *Reyda et al.* teach away from such a proposed modification.

Applicant believes that the characterization of *Reyda et al.* by the rejection reasoning is incorrect. The rejection argues that *Reyda et al.* teaches an "ecommerce store". *Reyda et al.* directed to **business-bit-business** market exchange. As such, the system shown is intended to be

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closed to customers:

FIG. 3 is a schematic system diagram of one embodiment of the invention... access will typically be limited... This is because typically **only authorized retail store and their suppliers should have access to the system. The public will not have such access typically.** (*Reyda et al.*, paragraph [0054]).

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Communication occurs over network including a client-server environment... however, access will be limited... This is because typically **only authorized stores in the retail store's chain and their suppliers should have access to the system. The public will not have such access typically.** (*Reyda et al.*, paragraph [0059]).

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Thus, because *Reyda et al.* teaches a system that is typically closed to the public, Applicant believes it teaches away from combination with *Wittsche*, which is directed to a common location intended for the public.

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For these reasons, Applicant does not believe that the motivation/suggestion for modifying *Wittsche/Cronin/Burg et al.* in view of *Reyda et al.* is sufficient for a prima facie case

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of obviousness.

**C) Dependent Claims 7-9 Separately Patentable**

Claims 7-9 are believed to be separately patentable over the cited combination of references. Claim 7, which depends from claim 6, recites that a "member entry data base" (recited in claim 6) includes member entries "comprising a member identification (ID) value, a password, a franchise store code, and a terminal identification (ID) code". Claim 8 recites that "at least a portion of the member ID value includes at least a portion of the store code". Claim 9 recites that "at least a portion of the password includes at least a portion of the store code".

10 The rejection argues that the limitations of claims 7-9 do not have to be shown or suggested by prior art due to the following rationale:

15 [T]he phrases... in these claims [claims 7-9] are considered to be non-functional descriptive material... the non-function descriptive material is directed only to the content of the data and does not affect either the structure or method/process of Cronin... (see the Office Action, dated 06/20/2006, Page 11, Lines 7-14).

Applicant believes that the above rationale is not sufficient to establish a prima facie case of obviousness. First, Applicants believe an incorrect analysis has been performed. Second, the limitation clearly recites function descriptive material.

The above rationale appears to examine Applicant's claim language for statutory subject matter with comparison to one of the cited references (Cronin). This is improper. A proper analysis under 35 U.S.C. §101 is directed to Applicant's claim as a whole. The teachings of a reference have no bearing on such an analysis. This is noted in the M.P.E.P.:

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**(b) Nonfunctional Descriptive Material**

Descriptive material that cannot exhibit any functional interrelationship with the way in which computing processes are performed does not constitute a statutory process, machine, manufacture or composition of matter and should be rejected under 35 U.S.C. 101. Thus, Office personnel ***should consider the claimed invention as a whole to determine whether the necessary functional***

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*interrelationship is provided.* [MPEP 2106, IV.B.1.(b)]

When claims 7-9 are considered with respect to the invention as a whole (e.g., their corresponding independent and intervening claims), these claims are believed to clearly recite functional descriptive material.

As noted above, claims 7-9 recite limitations present in, and hence part of a “memory entry data base” of the “at least one headquarter network server”. Claim 6 clearly recites a functional interrelationship of the “memory entry data base”:

a member entry data base that *identifies previously accessing members and matches said members to a predetermined franchise store...* (Applicant’s claim 1, lines 14-16).

As understood from above, the “member entry data base” (including the member entries) clearly imparts functionality: identification of previously accessing member and matching said members to a predetermined franchise store.

Accordingly, Applicant believes that the limitations presented by claims 7-9 are patentable subject matter. Because such limitations were not shown or suggested to be present in the prior art, a prima facie case of obviousness has not been established for these claims.

**D) The Combination of References Does Not Show All Limitations of Claim 10**

The cited combination of references is not believed to show or suggest all the limitations of claim 10. In particular, the references are not believed to show or suggest goods master database.

Applicant’s claim 10 recites a goods master data base that stores information for goods sold by the plurality of franchise stores, such goods including goods... not available at the particular franchise store but available at a headquarter.

To address this ground for rejection, Applicant incorporates by reference the same general comments set forth above in Section A) directed to claim 1. In particular, the rejection reasoning has not shown how such limitations are not present in the reference, and has improperly

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characterized such limitations as non-functional descriptive material.

**E) No Motivation for the Proposed Modification of *Wittsche/Cronin* in view of *Burg et al.***

5 To the extent that the rejection of claim 10 relies on the modification of *Wittsche/Cronin* in view of *Burg et al.*, the comments of Section B)1) are incorporated herein.

**F) Dependent claim 13 Separately Patentable**

10 Claim 13 recites that "url data sent includes a first portion corresponding to the franchise and a second portion unique to each franchise store".

To show the limitations of claim 13, the rejection first relies on the following reasoning:

15 Cronin teaches an ecommerce system, wherein the uniform resource locator value includes a first portion unique to each store and a second portion common to all franchise stores and the headquarters (Para 0004 and Para 0014). (Office Action, dated 10/24/2005, Page 9, Second Full Paragraph).

20 Applicant respectfully disagrees with the above characterization of the reference. *Cronin* teaches web pages but they are unrelated to any store. A word search of the reference reveals that "store" or "stores" are never mentioned. Instead, the website of *Cronin* is aimed at providing web based marketing and/or management business information, not a place to purchase goods.

The rejection of claim 13 includes the following additional rationale:

25 [P]lease note a URL specifies the... name of the server on which the resource resides (such as //www.whitehouse.gov), and, **optionally, the path to a resource (such as an HTML document or a file on that server)**... By definition, a URL... already includes what Applicant refers to as a "unique compound address" and a "subaddress", i.e., identifier(s)... For example in this case, the subaddress **could** have been the global address for the headquarter server. (Office Action, dated 30 06/30/2006, Page 7, Second Full Paragraph, bold emphasis added).

Applicant first notes that claim 10 is not directed to a single resource, but rather multiple

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franchise stores. Thus, the above rationale does not appear to show all of Applicant's claim limitations.

Second, the above is not sufficient for a prima facie case. Possible modifications (i.e., "optionally", or "could" as used in the rationale) are not sufficient for a prima facie case of obviousness.

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination.<sup>3</sup>

Accordingly, because the rejection does not appear to show all the limitations of claim 5, and/or provide sufficient motivation for the proposed modification, this claim is believed to be separately patentable over the cited reference.

The rejection of claims 15-18 will now be addressed.

The invention of claim 15 is directed to an electronic franchise shopping system for a plurality of franchise stores that includes a least one headquarter server and a plurality of franchise servers, each corresponding to a different franchise store.

The at least one headquarter server has a number of elements including a goods master data base, a member entry data base, a franchise store data base, a home page data base, a franchise store ID system, a home page sending system, and an order processing system.

**G) No Motivation for the Proposed Modification of *Wittsche/Cronin* in view of *Burg et al.***

To the extent that the rejection of claim 15 relies on the modification of *Wittsche/Cronin* in view of *Burg et al.*, the comments of Section B)1) are incorporated herein.

Rejection of Claim 11 Under 35 U.S.C. §103(a), based on based on *Wittsche* in view of *Cronin* further in view of *Burg et al.* further in view of *Reyda et al.* and further in view of *Anuff et al.*

<sup>3</sup> In re Mills, 16 USPQ2d 1430 (Fed. Cir. 1990).

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(U.S. Patent No. 6,327,628).

To the extent that this ground for rejection relies on the combination of *Wittsche/Cronin* in view of *Burg et al.*, the comments set forth above in Sections E) are incorporated by reference herein.

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Rejection of Claim 14 Under 35 U.S.C. §103(a), based on *Wittsche* in view of *Cronin* further in view of *Burg et al.* further in view of *Reyda et al.* and further in view of *Spagna et al.* (U.S. Patent No. 6,587,837).


To the extent that this ground for rejection relies on the combination of *Wittsche* in view of *Cronin*, the comments set forth above in Section E) are incorporated by reference herein.

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The present claims 1, 3, 6-18 are believed to be in allowable form. It is respectfully requested that the application be forwarded for allowance and issue.

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Respectfully Submitted,

  
Bradley T. Sako  
Attorney  
Reg. No. 37,923

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Bradley T. Sako  
WALKER & SAKO, LLP  
300 South First Street  
Suite 235  
San Jose, CA 95113  
Tel. 1-408-289-5315